

SENATE BILL 252

C8, P2
SB 215/11 – FIN

2lr1348
CF HB 213

By: ~~Senator Jones–Rodwell~~ **Senators Jones–Rodwell and Pugh**

Introduced and read first time: January 25, 2012

Assigned to: Finance

Committee Report: Favorable with amendments

Senate action: Adopted

Read second time: March 26, 2012

CHAPTER _____

1 AN ACT concerning

2 **Baltimore City Community Enhancement Transit–Oriented Development**
3 **Fund**

4 FOR the purpose of establishing the Baltimore City Community Enhancement
5 Transit–Oriented Development Fund for certain purposes; providing that the
6 Fund is a special, nonlapsing fund; providing for the contents and uses of the
7 Fund; ~~requiring~~ providing that a certain portion of certain revenues from
8 certain projects and certain other money shall be paid into the Fund under
9 certain circumstances; requiring the Comptroller to pay certain money from the
10 Fund to the Mayor and City Council of Baltimore City in a certain manner;
11 authorizing the Mayor and City Council to use or make awards of money
12 received from the Fund for certain purposes; requiring the State Treasurer to
13 invest the money in the Fund in a certain manner; adding the Fund to the list of
14 exceptions to the requirement that the earnings of special funds accrue to the
15 General Fund; stating certain findings of the General Assembly; providing for
16 the application of this Act; providing for the purposes of certain provisions of
17 this Act; defining certain terms; and generally relating to the Baltimore City
18 Community Enhancement Transit–Oriented Development Fund.

19 BY repealing and reenacting, without amendments,
20 Article – Economic Development
21 Section 1–101(e)
22 Annotated Code of Maryland
23 (2008 Volume and 2011 Supplement)

EXPLANATION: CAPITALS INDICATE MATTER ADDED TO EXISTING LAW.

[Brackets] indicate matter deleted from existing law.

Underlining indicates amendments to bill.

~~Strike out~~ indicates matter stricken from the bill by amendment or deleted from the law by amendment.



1 BY adding to
 2 Article – Economic Development
 3 Section 15–101 through 15–107 to be under the new title “Title 15. Baltimore
 4 City Community Enhancement Transit–Oriented Development Fund”
 5 Annotated Code of Maryland
 6 (2008 Volume and 2011 Supplement)

7 BY repealing and reenacting, without amendments,
 8 Article – State Finance and Procurement
 9 Section 6–226(a)(2)(i)
 10 Annotated Code of Maryland
 11 (2009 Replacement Volume and 2011 Supplement)

12 BY repealing and reenacting, with amendments,
 13 Article – State Finance and Procurement
 14 Section 6–226(a)(2)(ii)62. and 63. and 10–306
 15 Annotated Code of Maryland
 16 (2009 Replacement Volume and 2011 Supplement)

17 BY adding to
 18 Article – State Finance and Procurement
 19 Section 6–226(a)(2)(ii)64.
 20 Annotated Code of Maryland
 21 (2009 Replacement Volume and 2011 Supplement)

22 BY repealing and reenacting, without amendments,
 23 Article – Transportation
 24 Section 7–101(m)
 25 Annotated Code of Maryland
 26 (2008 Replacement Volume and 2011 Supplement)

27 SECTION 1. BE IT ENACTED BY THE GENERAL ASSEMBLY OF
 28 MARYLAND, That the Laws of Maryland read as follows:

29 **Article – Economic Development**

30 1–101.

31 (e) (1) “Qualified distressed county” means a county with:

32 (i) an average rate of unemployment for the most recent
 33 24–month period for which data are available that exceeds 150% of the average rate of
 34 unemployment for the State during that period; or

35 (ii) an average per capita personal income for the most recent
 36 24–month period for which data are available that is equal to or less than 67% of the
 37 average per capita personal income for the State during that period.

1 **(A) THE GENERAL ASSEMBLY FINDS THAT:**

2 **(1) WHILE STATE AND PRIVATELY FUNDED TRANSIT-ORIENTED**
3 **DEVELOPMENT IS PARAMOUNT AND NECESSARY FOR THE ORDERLY ECONOMIC**
4 **DEVELOPMENT OF THE STATE, SUCH DEVELOPMENT SHOULD BE PURSUED IN A**
5 **MANNER THAT EXTENDS BENEFITS TO AND MINIMIZES NEGATIVE IMPACTS ON**
6 **THE COMMUNITIES IN AND ADJACENT TO THE DEVELOPMENT;**

7 **(2) IN ORDER TO PRESERVE AND ENHANCE THE STATE'S DIVERSE**
8 **CULTURAL FABRIC IN COMMUNITIES AFFECTED BY TRANSIT-ORIENTED**
9 **DEVELOPMENT, IT IS ESSENTIAL FOR THE PUBLIC AND PRIVATE SECTORS TO**
10 **COOPERATE IN DEVELOPING PARTNERSHIPS THAT AIM TO STABILIZE SUCH**
11 **COMMUNITIES;**

12 **(3) IT IS MOST FRUITFUL TO SEEK COMMUNITY INPUT AND**
13 **INVOLVEMENT FROM ORGANIZATIONS IN AREAS AFFECTED BY**
14 **TRANSIT-ORIENTED DEVELOPMENT IN ORDER TO BEST ADDRESS THE**
15 **PHYSICAL, CULTURAL, AND ECONOMIC IMPACTS OF THE DEVELOPMENT; AND**

16 **(4) FOSTERING COMMUNITY-BASED INITIATIVES FOR**
17 **NEIGHBORHOOD STABILITY AND GROWTH IS IN THE PUBLIC INTEREST.**

18 **(B) THE PURPOSE OF THIS TITLE IS TO PROMOTE AND ASSIST**
19 **COMMUNITY-BASED INITIATIVES THAT ENHANCE NEIGHBORHOOD STABILITY**
20 **AND ECONOMIC GROWTH IN COMMUNITIES THAT ARE DIRECTLY IMPACTED BY**
21 **STATE- AND PRIVATELY FUNDED TRANSIT-ORIENTED DEVELOPMENT.**

22 **15-103.**

23 **THIS TITLE APPLIES ONLY IN BALTIMORE CITY.**

24 **15-104.**

25 **(A) THERE IS A BALTIMORE CITY COMMUNITY ENHANCEMENT**
26 **TRANSIT-ORIENTED DEVELOPMENT FUND.**

27 **(B) THE FUND IS A SPECIAL, NONLAPSING FUND THAT IS NOT SUBJECT**
28 **TO § 7-302 OF THE STATE FINANCE AND PROCUREMENT ARTICLE.**

29 **15-105.**

30 **(A) THE PURPOSE OF THE FUND IS TO PROMOTE AND ASSIST**
31 **COMMUNITY-BASED INITIATIVES IN QUALIFIED PROJECT AREAS CONSISTENT**
32 **WITH THE PURPOSE OF THIS TITLE.**

1 **(B) THE STATE TREASURER SHALL HOLD THE FUND SEPARATELY, AND**
2 **THE COMPTROLLER SHALL ACCOUNT FOR THE FUND.**

3 **(C) (1) THE FUND CONSISTS OF:**

4 **(I) MONEY APPROPRIATED IN THE STATE BUDGET TO THE**
5 **FUND;**

6 **(II) PROCEEDS OF BONDS THAT ARE MADE AVAILABLE FOR**
7 **THE USE OF THE FUND, INCLUDING GENERAL OBLIGATION BONDS AND GRANT**
8 **ANTICIPATION REVENUE VEHICLES;**

9 **(III) MONEY MADE AVAILABLE FOR QUALIFYING USES BY THE**
10 **FUND FROM OTHER GOVERNMENTAL SOURCES, INCLUDING COMMUNITY**
11 **DEVELOPMENT BLOCK GRANTS AND THE MARYLAND TRANSPORTATION TRUST**
12 **FUND;**

13 **(IV) CONTRIBUTIONS TO THE FUND MADE BY THE PRIVATE**
14 **DEVELOPERS OF THE RELEVANT TRANSIT-ORIENTED DEVELOPMENT;**

15 **(V) GROUND RENTS OR LAND SALE PROCEEDS IN**
16 **ACCORDANCE WITH § 10-306(C)(1) OF THE STATE FINANCE AND**
17 **PROCUREMENT ARTICLE;**

18 **(VI) PAYMENTS OF PRINCIPAL OF AND INTEREST ON LOANS**
19 **MADE UNDER THIS TITLE;**

20 **(VII) INVESTMENT EARNINGS OF THE FUND; AND**

21 **(VIII) ANY OTHER MONEY FROM ANY OTHER SOURCE, PUBLIC**
22 **OR PRIVATE, ACCEPTED FOR THE BENEFIT OF THE FUND.**

23 **(2) CONTRIBUTIONS TO THE FUND UNDER PARAGRAPH (1)(IV) OF**
24 **THIS SUBSECTION SHALL BE SEPARATELY ACCOUNTED FOR IN THE FUND SO**
25 **THAT THE REVENUE DERIVED FROM A DEVELOPMENT IN A PARTICULAR**
26 **QUALIFIED PROJECT AREA SHALL RETURN TO A QUALIFIED RECIPIENT IN THAT**
27 **QUALIFIED PROJECT AREA.**

28 **(3) SUBJECT TO PARAGRAPH (2) OF THIS SUBSECTION, THE**
29 **COMPTROLLER SHALL:**

30 **(I) PAY MONEY IN THE FUND IN ANNUAL INSTALLMENTS TO**
31 **THE MAYOR AND CITY COUNCIL OF BALTIMORE CITY; AND**

1 **(II) ENSURE THAT THE MONEY IN THE FUND IS**
2 **DISTRIBUTED IN THE MANNER THAT BEST ACCOMPLISHES THE PURPOSE OF**
3 **THE FUND UNDER THIS TITLE.**

4 **15-106.**

5 **THE FUND MAY BE USED BY THE MAYOR AND CITY COUNCIL OF**
6 **BALTIMORE CITY OR AWARDED TO A QUALIFIED RECIPIENT BY THE MAYOR**
7 **AND CITY COUNCIL ONLY FOR:**

8 **(1) OPERATING SUPPORT FOR OR BUILDING THE CAPACITY OF**
9 **QUALIFIED RECIPIENTS;**

10 **(2) ECONOMIC AND PHYSICAL IMPROVEMENTS TO THE**
11 **COMMUNITY THROUGH PROJECTS THAT REINVEST IN AND REVITALIZE THE**
12 **COMMUNITY;**

13 **(3) THE DEVELOPMENT OF WOMEN-OWNED, MINORITY-OWNED,**
14 **AND SMALL BUSINESSES;**

15 **(4) THE DEVELOPMENT OF RECREATIONAL FACILITIES, PARKS,**
16 **OR IMPROVEMENTS TO THE NATURAL ENVIRONMENT;**

17 **(5) THE DEVELOPMENT AND PRESERVATION OF AFFORDABLE**
18 **AND WORKPLACE HOUSING;**

19 **(6) EXPANSION OF SCHOOL PROGRAMS AND CAPITAL**
20 **IMPROVEMENTS TO SCHOOL FACILITIES THAT SERVE THE AREA;**

21 **(7) JOB TRAINING AND WORKFORCE DEVELOPMENT; OR**

22 **(8) COUNSELING FOR HOUSING AND SMALL BUSINESS**
23 **DEVELOPMENT.**

24 **15-107.**

25 **(A) THE STATE TREASURER SHALL INVEST THE MONEY OF THE FUND**
26 **IN THE SAME MANNER AS OTHER STATE MONEY MAY BE INVESTED.**

27 **(B) ANY INVESTMENT EARNINGS OF THE FUND SHALL BE PAID INTO**
28 **THE FUND.**

1 6-226.

2 (a) (2) (i) Notwithstanding any other provision of law, and unless
3 inconsistent with a federal law, grant agreement, or other federal requirement or with
4 the terms of a gift or settlement agreement, net interest on all State money allocated
5 by the State Treasurer under this section to special funds or accounts, and otherwise
6 entitled to receive interest earnings, as accounted for by the Comptroller, shall accrue
7 to the General Fund of the State.

8 (ii) The provisions of subparagraph (i) of this paragraph do not
9 apply to the following funds:

10 62. Veterans Trust Fund; [and]

11 63. Transportation Trust Fund; AND

12 64. BALTIMORE CITY COMMUNITY ENHANCEMENT
13 TRANSIT-ORIENTED DEVELOPMENT FUND.

14 10-306.

15 (a) In this section, "capital asset" means an asset of a substantial permanent
16 nature.

17 (b) If the consideration received for the disposition of any real or personal
18 property of the State or any unit of the State government is other real or personal
19 property, the real or personal property received shall be held and accounted for in the
20 same manner as other property under the jurisdiction and control of the unit of the
21 State government that receives the real or personal property.

22 (c) (1) Except as provided in [paragraph (2)] **PARAGRAPHS (2) AND (3)**
23 of this subsection, if cash is received as consideration for the disposition of a capital
24 asset of the State or any unit of the State government, the cash shall be applied to the
25 State Annuity Bond Fund Account for the payment of the principal of and interest on
26 the bonded indebtedness of the State.

27 **(2) IF THE CAPITAL ASSET IS REAL PROPERTY THAT IS BEING**
28 **LEASED OR SOLD TO A PRIVATE PARTY FOR THE PURPOSE OF REALIZING A**
29 **TRANSIT-ORIENTED DEVELOPMENT AS DEFINED UNDER § 7-101 OF THE**
30 **TRANSPORTATION ARTICLE, AT THE DISCRETION OF THE STATE AGENCY THAT**
31 **IS DISPOSING OF THE PROPERTY, ALL OR A PORTION OF THE CASH PROCEEDS**
32 **RESULTING FROM THE TRANSACTION SHALL BE DEPOSITED IN THE BALTIMORE**
33 **CITY COMMUNITY ENHANCEMENT TRANSIT-ORIENTED DEVELOPMENT FUND**
34 **ESTABLISHED UNDER TITLE 15 OF THE ECONOMIC DEVELOPMENT ARTICLE**
35 **FOR THE PURPOSES OF THAT FUND.**

